



Brownfields Cleanup Revolving Loan Fund Pilot

St. Louis County, MO
(representing the City of Wellston, MO)

Outreach and Special Projects Staff (5101)

Quick Reference Fact Sheet

EPA's Brownfields Economic Redevelopment Initiative is designed to empower states, communities, and other stakeholders in economic redevelopment to work together in a timely manner to prevent, assess, safely clean up, and sustainably reuse brownfields. A brownfield is a site, or portion thereof, that has actual or perceived contamination and an active potential for redevelopment or reuse. EPA is funding: assessment demonstration pilot programs (each funded up to \$200,000 over two years), to assess brownfields sites and to test cleanup and redevelopment models; job training pilot programs (each funded up to \$200,000 over two years), to provide training for residents of communities affected by brownfields to facilitate cleanup of brownfields sites and prepare trainees for future employment in the environmental field; and, cleanup revolving loan fund programs (each funded up to \$500,000 over five years) to capitalize loan funds to make loans for the environmental cleanup of brownfields. These pilot programs are intended to provide EPA, states, tribes, municipalities, and communities with useful information and strategies as they continue to seek new methods to promote a unified approach to site assessment, environmental cleanup, and redevelopment.

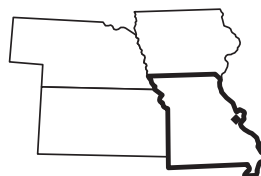
BACKGROUND

St. Louis County is acting on behalf of the City of Wellston, Missouri for the BCRLF pilot program. The City of Wellston is an aging, industrial municipality that has experienced tremendous decline and disinvestment over the past few decades. The City has a population of 3,612, which represents a decline of 60 percent since its incorporation in 1949. The City is characterized by very high poverty (47 percent) and unemployment rates (22 percent). The target area, the Wellston Technology Park, is a 100-acre site in south-central Wellston. In this area, approximately 1,100 parcels of land are in need of redevelopment. This site is primarily composed of light manufacturing and industrial uses, with some residential areas throughout and surrounding the area. The City of Wellston is also a Federally-designated Regional Empowerment Zone.

BCRLF OBJECTIVES

St. Louis County's BCRLF will finance environmental cleanup and redevelopment in the Wellston Technology Park. The pilot anticipates that the loan will provide the seed money to help leverage additional public and private funds. In particular, BCRLF funds will assist developers and businesses who need short-term, low-interest financing for cleanup work prior to

PILOT SNAPSHOT



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Date of Announcement:
May 25, 1999

Amount: \$500,000

BCRLF Target Area:
Wellston Technology Park,
100 acres in south-central
Wellston

Contacts:

St. Louis County Economic
Council
(314) 889-7663

Region 7 Brownfields
Coordinator
(913) 551-7786

Visit the EPA Region 7 Brownfields web site at:
www.epa.gov/region07/specinit/brown/brownfields.htm

For further information, including specific Pilot contacts, additional Pilot information, brownfields news and events, and publications and links, visit the EPA Brownfields web site at:
<http://www.epa.gov/brownfields/>

redevelopment. The pilot anticipates that the funds will be used in two ways:

- To provide gap financing for projects that qualify for tax credits or other incentives through the Missouri Division of Economic Development's brownfields tax credit program or its Enterprise Zone tax credit program.
- To provide loan guarantees that cover cleanup costs, up to the amount of the loan guarantee, exceeding the appraised value on which the borrower's primary financing is based.

FUND STRUCTURE AND OPERATIONS

The Land Clearance for Redevelopment Authority of St. Louis County will serve as the lead agency. The St. Louis County Department of Health will serve as site manager. The Business Finance Division of the St. Louis County Economic Council, which operates a variety of loan programs, will serve as fund manager. BCRLF loans will carry a standard term of up to five years.

LEVERAGING

The Land Clearance for Redevelopment Authority will contribute in-kind support in the form of staff time and office space. Leveraged funds may come from conventional construction and business loans, loans from the Community Development Bank, private financing and grants offered by St. Louis' 2004 Sustainable Neighborhoods program, and tax credits and other incentives offered by the Missouri Department of Economic Development. Since the area has been designated a Regional Empowerment Zone, other federal support may result.

Use of BCRLF Pilot funds must be in accordance with CERCLA, and all CERCLA restrictions on use of funding also apply to BCRLF funds.
